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PARK PLAZA URBAN RENEWAL PROJECT
BOSTON REDEVELOPMENT AUTHORITY

FINAL PROJECT REPORT

Supplement to the
restated Letter of Intent and
Supplemental Agreement

DEC 3 1973

Park Plaza
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USL

BOSTON URBAN ASSOCIATES

DEC 3 1973

Boston Redevelopment Authority
City Hall
Boston, MA. 02201

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Gentlemen:

In view of the importance of the Park Plaza Urban Renewal Project, as recognized not only by the Authority and Boston Urban Associates but also by many public and private organizations, we have jointly given further consideration to the statements made by the Department of Community Affairs in September, 1973 in connection with its disapproval as well as to a submission to meet the Department's objections. It was the belief of both the Authority and Urban that the substance of the Department's concerns, as expressed in its letter to the Authority, dated September 19, 1973, would have been met adequately by the proposed supplement to an existing Letter of Intent which the Authority forwarded to the Department by letter dated September 25, 1973. However, the Department did not fully concur in that belief and subsequently announced its disapproval.

In order to meet the Department's objections, Urban is willing, subject to the Authority's concurrence, to supplement further the existing Letter of Intent (that is, the restated Letter of Intent and Supplemental Agreement, both dated June 12, 1973) as follows:

(1) In the event of any conflict between the provisions of this Supplement and the restated Letter of Intent or the Supplemental Agreement, dated June 12, 1973, it is hereby agreed by the Authority and Urban that the provisions of this Supplement shall govern.

(2) A building mass, use and location study, mutually satisfactory to the Authority and Urban, and a supplemental environmental impact report related thereto shall be prepared as a public responsibility by the Authority within a reasonable period, with funds to be provided by the Commonwealth.

It is understood and agreed that no building shall exceed a height of 450 feet.

(3) Upon completion of the building mass, use and location study and supplemental environmental impact report related thereto, as described above, the Authority shall submit copies thereof to the Department and to the Secretary of Environmental Affairs. The Authority shall include with such submission a certification by the Director of the Authority that the work program for the building mass study and supplemental environmental impact report has been carried out, in accordance with its terms in all material respects and with the Letter of Intent, and such certification shall be final and conclusive with respect to any finding regarding the completeness of the work program. Such certification by the Director of the Authority shall be a pre-condition of further findings by the Secretary and the Department with respect to the completeness and content of the supplemental environmental impact report submitted by the Director. It is understood that the

Secretary shall review such building mass study and supplemental environmental impact report related thereto and issue a written statement indicating whether or not such report adequately and properly complies with the provision of Section 62 of Chapter 30 of the Massachusetts General Laws. It is further understood that the Department will then make a further environmental finding as to whether all feasible measures have been taken to avoid or minimize environmental impact, which will include a review with the Secretary of Environmental Affairs and will incorporate therein the comments by the Secretary of Environmental Affairs.

(4) The term "causes beyond Urban's reasonable control" shall not include interest rate levels or market conditions or Urban's inability to obtain financing, but if national fiscal policy or governmental restrictions as manifested, for example, by official operations by the Federal Reserve Bank of the United States, eliminate available credit on feasible terms for large-scale development, Urban shall be entitled to extensions of time by reason thereof up to twelve months based upon the revised time schedule.

(5) The master land disposition agreement to be entered into by the Authority and Urban shall provide that the Department shall approve all land disposition agreements executed after 27 months following the Department's approval of the Urban Renewal Plan.

For the purposes of the Letter of Intent and the supplements thereto, it is understood that the Urban Renewal Plan shall not be deemed approved by the Department until favorable supplemental environmental findings have been made by the Department following the submission to the Department of the building mass study and supplemental environmental impact report related thereto and until the favorable termination of any judicial review proceedings with respect to the Project.

(6) In addition to the approval by the Department as to the financing for Parcel C., evidence reasonably satisfactory to the Department of financing for acquisition, relocation, and demolition for parcels conveyed to Urban shall be furnished for all parcels for which design development drawings have not been submitted to the Authority within 27 months following the Department's approval of the Urban Renewal Plan.

(7) The Authority and Urban hereby reconfirm and agree that, prior to the commencement of land acquisition for any stage of the development, Urban shall submit to the Authority evidence reasonably satisfactory to the Director of the availability and commitment of financing for the construction of such stage. It is recognized that the form of any such commitment may contain terms and conditions customary for commitments made at such a phase in the development. It is further recognized that, with respect to any financing for residential and parking

facilities proposed to be accomplished by the use of bond issues, such evidence may be in the form of a "reasonable assurance" from a recognized investment banking firm or firms.

(8) "The Urban Renewal Plan" will not be modified or amended prior to the submission of the proposed modification or amendment to the Department and no major modification or amendment will be made without the prior written approval of the Department; a major modification or amendment is any change in the boundaries of the Project Area, any change in the Urban Renewal Plan objectives, any change in the reuse permitted by the Plan, or increase in the density of reuse, or any increase in the building height limitation.

Urban's approval will be required only with respect to modifications or amendments of the Plan applicable to parcels which have been conveyed or financed by Urban, or its permitted successor, or as to which Urban has been designated as the redeveloper and such designation has not been rescinded by reason of Urban's default.

(9) The restated Letter of Intent sets forth various provisions for the acquisition of property in the Project Area by private negotiations and by eminent domain takings, and further provides unequivocally that nothing therein shall affect the rights of existing property owners to receive the full and fair cash value for their property according to legal and customary acquisition appraisal procedures as used in Federally-sponsored

urban renewal projects. In accordance with the Authority's customary real estate acquisition procedures, it is intended that two independent appraisals be made prior to acquisition.

It is hereby further agreed by the Authority and Urban---and beyond the requirements imposed in either Federally-sponsored or State-aided projects---that (subject always to the property owner's option to make his own settlement outside the appraisal process if he so desires) in the event that the higher appraisal of any parcel is not greater than 150% of the lower appraisal, the minimum compensation to be paid for the acquisition of such parcel shall be the average of such two appraisals. In the event that the higher appraisal is greater than 150% of the other appraisal, a third independent appraisal of the acquisition value of the parcel shall be obtained; and if the first appraisal is higher than the second, the minimum compensation shall be the average of the three appraisals; but if the first appraisal is lower than the second, the minimum compensation shall be the average of the second and third appraisals.

(10) The restated Letter of Intent refers to the Development Schedule for the Various Stages of Park Plaza and recognizes that the actual timing and program of development will be adjusted as mutually agreed to reflect causes beyond Urban's control.

It is hereby further agreed by the Authority and Urban that, following the Department's approval of the Urban Renewal Plan, such Schedule shall be renegotiated by the Authority and Urban and such renegotiated Schedule shall not thereafter be changed without the prior approval of the Department.

It is hereby further agreed by the Authority and Urban that the further provisions set forth in the Letter of Intent and the provisions to be contained in the land disposition agreements entitling the Authority to rescind Urban's designation as a redeveloper and to secure a replacement redeveloper shall apply to defaults by Urban arising under such renegotiated Development Schedule.

It is hereby further agreed by the Authority and Urban that in the event Urban is for any reason unable to construct the low and moderate income housing on any parcel as presently contemplated by the restated Letter of Intent, the Authority shall be entitled to secure a replacement redeveloper to construct such housing provided such construction is in conformity with the overall design and character of the remaining Project development.

(11) Section 4.3 of the restated Letter of Intent refers to the assumption by Urban of all carrying costs on land acquired and held by the Authority, including payments in lieu of taxes for such property which becomes exempt from taxation by reason of the Authority's acquisition of ownership.

The Authority and Urban hereby reconfirm and agree that payments in lieu of taxes on account of such property under such conditions shall be equal to the amount which would have been payable, in the aggregate, as real estate taxes if the property had not then become so exempt.

(12) It is hereby further agreed by the Authority and Urban that any contract or agreement entered into with the Authority or the City of Boston relating to any payment or arrangement for payment in lieu of taxes under Chapter 121A will be a public document available for public scrutiny.

(13) The words "final and unconditional approval" shall be changed to "approval", wherever they appear in the restated Letter of Intent or the Supplemental Agreement.

(14) It is hereby further agreed by the Authority and Urban that the words "undertaking such development" shall be deleted from part 1(c)(ii) of the Supplemental Agreement.

(15) The Authority undertakes the full and entire responsibility to implement the work program, subject to the Authority's reserving unto itself the right to make all Project decisions and subject to the reservation to itself of the power and the responsibility for the performance, and for the determination of the extent of the performance, of the work program that leads to such decisions by the Authority. In the process of carrying out work program the Authority shall be advised by a Civic Advisory Board.

(16) The provisions of the Letter of Intent as supplemented shall not be changed, without the prior approval of the Department, as to:

(i) the obligations of Urban to apply to carry out the development of certain elements of the Project under Chapter 121A of the General Laws, in accordance with the supplemented Letter of Intent;

(ii) the obligations of the Authority and Urban to proceed with the advertisement and development of Parcels D and E;

(iii) the right of the Authority to rescind Urban's designation as a redeveloper and to secure a replacement redeveloper as to any parcel with respect to which Urban is in default as to the revised schedule; and as to the low and moderate income housing on any parcel as presently contemplated if Urban is for any reason unable to construct such housing, but nothing herein shall be constructed to modify an existing commitment of Urban with respect to such housing;

(iv) the requirement that no land acquisition be commenced for any stage until the Authority is provided with evidence reasonably satisfactory to the Authority that the total estimated acquisition, relocation and demolition costs, where appropriate, for said Stage shall be available to the Authority;

(v) the obligations of Urban to submit evidence reasonably satisfactory to the Director of the availability and commitment of financing for the construction of each stage of the Project, prior to any land acquisition by the Authority; and

(vi) the provisions set forth in the preceding subparagraphs 3, 4, 5, 6, 8 and 16, inclusive.

It is recognized that Urban's obligations are premised upon approval of the Park Plaza Urban Renewal Project and the particular terms and provisions herein indicated and without any further conditions. In the event that additional requirements are at any time imposed by the Department, as part of its approval, by rule or regulation or otherwise, Urban shall be entitled, at its election, to terminate its obligations and to recover its deposit in accordance with the terms of the Letter of Intent without being deemed to be in default.

If the foregoing correctly sets forth our mutual understanding, please so indicate by signing and returning the duplicate of this letter to us.

Very truly yours,

BOSTON URBAN ASSOCIATES

By

By

Accepted and Acknowledged:

BOSTON REDEVELOPMENT AUTHORITY

By

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